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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2025 - * 022
Amendment No. (req. for Amendments *)

Filing by The Nasdaq Stock Market LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
✓				✓	

Pilot	Extension of Time Period for Commission Action *	Date Expires *

Rule

☐ 19b-4(f)(1)	☐ 19b-4(f)(4)
✓ 19b-4(f)(2)	☐ 19b-4(f)(5)
☐ 19b-4(f)(3)	☐ 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) * ☐

Section 806(e)(2) * ☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) * ☐

Exhibit 2 Sent As Paper Document ☐

Exhibit 3 Sent As Paper Document ☐

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

A proposal to: (i) modify its Company Listing Fees for exchange traded products ("ETP") under Rule 5940, along with implementing necessary clarifying changes; and (ii) amend its Designated Liquidity Program and introduce new market quality programs for ETPs, as set forth in Equity 7, Section 114 (Market Quality Incentive Programs).

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Dane   Last Name * Dixon

Title * Associate General Counsel

E-mail * Dane.Dixon@Nasdaq.com

Telephone * (470) 432-4607   Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, The Nasdaq Stock Market LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 03/03/2025

By John Zecca (Name *)

(Title *) EVP and Chief Legal Officer

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Date: 2025.03.03 14:07:56 -05'00'

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For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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SR-NASDAQ-2025-022 Exhibit 1.docx

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

☐ Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

☐ Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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SR-NASDAQ-2025-022 Exhibit 5.docx

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) The Nasdaq Stock Market LLC ("Nasdaq" or "Exchange"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")[1] and Rule 19b-4 thereunder,[2] is filing with the Securities and Exchange Commission ("SEC" or "Commission") a proposal to: (i) modify its Company Listing Fees for exchange traded products ("ETP") under Rule 5940, along with implementing necessary clarifying changes; and (ii) amend its Designated Liquidity Program and introduce new market quality programs for ETPs, as set forth in Equity 7, Section 114 (Market Quality Incentive Programs), as described further below.

While these amendments are effective upon filing, the Exchange has designated the proposed amendments to be operative on May 1, 2025.

A notice of the proposed rule change for publication in the Federal Register is attached as Exhibit 1.

The text of the proposed rule change is attached as Exhibit 5

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors (the "Board"). Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

Questions and comments on the proposed rule change may be directed to:

Dane Dixon
Associate General Counsel
Nasdaq, Inc.
470-432-4607

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

a. Purpose

The purpose of the proposed rule change is to (i) modify the All-Inclusive Annual Listing Fee under Rule 5940 for ETPs listed on the Exchange, and (ii) amend the Exchange's Designated Liquidity Provider ("DLP")[3] Program and introduce new market quality programs for ETPs under Equity 7, Section 114 (Market Quality Incentive Programs).

First, the Exchange proposes to update Rule 5940 to enhance clarity and consistency in its listing fee structure by introducing a new listing fee for ETP issuers. The proposed changes include (1) updating the header at Rule 5940(b) from "All-Inclusive Annual Listing Fee" to "Annual Listing Fees" to better reflect the inclusion of both Standard and Premier Annual Listing Fees; (2) renaming the All-Inclusive Annual Listing Fee as the Standard Annual Listing Fee under Rule 5940(i) to maintain continuity in pricing while improving terminology; (3) introducing a new Premier Annual Listing Fee under Rule 5940(b)(ii) for issuers opting to participate in the Quality Liquidity

3 Equity 7, Section 114(f)(2) defines a "Designated Liquidity Provider" or "DLP" as a registered Nasdaq market maker for a Qualified Security that has committed to maintain minimum performance standards. A DLP will be selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws. Nasdaq may limit the number of DLPs in a security, or modify a previously established limit, upon prior written notice to members.

Provider Program under Equity 7, Section 114(h).[4]; and (4) make clarifying changes by removing outdated references to the All-Inclusive Listing Fee and instead distinguishing between the Standard Annual Listing Fee and the Premier Annual Listing Fee.

Next, the Exchange proposes to modify its existing DLP Program under Equity 7, Section 114 by removing Secondary DLP rebates, removing the "Enhanced Rebate", revising the qualifying criteria and market quality requirements for Primary DLP[5] rebates and additional Tape C ETP incentives, and modifying rebate amounts. In addition to the proposed DLP Program updates, the Exchange proposes to (i) introduce a market quality supporter program in lieu of the existing rebates for Secondary DLPs, and (ii) establish an optional, higher listing fee for ETPs and a related market quality incentive program. The Exchange also proposes to make conforming changes throughout its rules.

Annual Listing Fee Amendments: Renaming, Introduction of a New Premier Tier and Clarifying Changes

The Exchange proposes to revise the header of Rule 5940(b) by renaming "All-Inclusive Annual Listing Fee" to "Annual Listing Fees" to reflect the inclusion of both Standard and Premier listing fees. Additionally, the Exchange proposes to amend the existing "All-Inclusive Annual Listing Fee" at Rule 5940(b)(1)(i) by renaming it the "Standard Annual Listing Fee." The Standard Annual Listing Fee will continue to be set at $4,000 for ETP issuers and no substantive changes are being made for issuers under this category.

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4 The Quality Liquidity Provider Program is described below as one of the new Market Quality Incentive Programs.

5 Primary DLP is now referred to as DLP under Equity 7, Section 114(f) of the Nasdaq Stock Market LLC Rules.

Additionally, the Exchange proposes to introduce the Premier Annual Listing Fee under Rule 5940(b)(1)(ii) as a new $44,000 fee for ETP issuers. Specifically, to qualify for the Quality Liquidity Provider Program under Equity 7, Section 114(h), an ETP issuer must pay the Premier Annual Listing Fee of $44,000 for each product that is a series of Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, Exchange Traded Fund Shares, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, or Linked Securities or other security listed under the Rule 5700 Series where no other fee schedule is specifically applicable.

If the issuer of a ETP elects to switch from the Premier Annual Listing Fee to the Standard Annual Listing Fee, it will not owe any additional listing fee, nor shall it receive any credit or offset of the portion of the Premier Annual Listing Fee paid or assessed. For example, an issuer of an ETP paid the Premier Annual Listing Fee and elects to switch to the Standard Annual Listing Fee on October 21, 2024. Its new Standard Annual Listing Fee is $4,000. Since the issuer of the ETP already paid a Premier Annual Listing Fee of $44,000, it will not owe any Standard Annual Listing Fee for that calendar year. However, the issuer of the ETP would not receive any further credit of the amount previously paid for listing (i.e., the Premier Annual Listing Fee) and would owe the full $4,000 Standard Annual Listing Fee in the following year.

If the issuer of an ETP elects to switch from the Standard Annual Listing Fee to the Premier Annual Listing Fee, its Annual Listing Fees will be prorated based on the month of the switch. Such an issuer of an exchange traded product will owe the Premier Annual Listing Fee starting in the month of switch and the Standard Annual Listing Fee for all earlier months in the calendar year. For example, an issuer of an ETP paid the Standard Annual Listing Fee and elects to switch to the Premier Annual Listing Fee on October 21, 2024. Its new Premier Annual Listing Fee is $44,000, which is prorated from October to December, resulting in a Premier Annual Listing Fee due of $11,000 for its first calendar year. Since this issuer of the ETP already paid a Standard Annual Listing Fee of $4,000, it will be credited $1,000, which represents the portion of the Standard Annual Listing Fee already paid for the remainder of the year. The issuer of the ETP, therefore, has a balance due to Nasdaq of $10,000.

Additionally, the Exchange proposes to make clarifying changes to Rule 5940(b)(2) for NextShares by removing references to the All-Inclusive Listing Fee and distinguishing between the Standard Annual Listing Fee and Premier Annual Listing Fee. This revision does not change the actual listing fees or structure of NextShares.

DLP Program Enhancements

The Exchange currently offers certain fees and rebates under a DLP Program, which applies to transactions in a Qualified Security[6] by one of its DLPs associated with its DLP Program market participant identifier ("MPID"). In conjunction with introducing new market quality programs, as described below, the Exchange proposes to revise its existing DLP Program.

First, the Exchange proposes to remove its Secondary DLP rebates currently provided under Equity 7, Section 114(f), in favor of a new market quality supporter program. Second, the Exchange proposes to offer one DLP rebate instead of the two it

[6] Equity 7, Section 114(f)(1) says a security may be designated as a "Qualified Security" if: (a) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and (b) it has at least one DLP.

currently offers (i.e., "Standard" and "Enhanced"). As such, the Exchange proposes to remove the Enhanced Rebate altogether and remove the qualifier of "Standard" from the lone remaining DLP rebate. The Exchange proposes to retain the prior "Standard Rebate" amounts for Tier 1 and Tier 2 (i.e., $0.0034 per executed share and $0.0040 per executed share respectively), while retaining the "Enhanced Rebate" amounts for Tier 3, 4, and 5 ($350 per month, $450 per month, and $500 per month respectively). Relatedly, if an ETP meets one of the requirements for the Tiers mentioned above, an eligible DLP will receive the rebate for which it qualifies for each displayed share that adds liquidity in the ETP for Tier 1 and Tier 2. The Exchange propose to add that for the first month following the initial trade of a symbol, the MPID will automatically be eligible to receive the Tier 5 rebate, and for Tier 3 through Tier 5, the DLP will be eligible to receive a fixed payment per month in addition to any other rebate the DLP is eligible for under Equity 7, Sections 114 and 118.

Relatedly, the Exchange proposes to modify the qualifying criteria for the DLP rebate. The Exchange proposes to continue requiring that DLPs need to meet 4 of 5 of the market quality metrics provided for in the Rules. However, the Exchange proposes to require that all DLPs must meet the Average Spread requirement as one of the 4 market quality metrics. The Average Spread, Auction Spread, and Auction Reference Price Difference metrics are multiplied by the leverage factor of the ETP. The market quality metrics will be measured on average in the assigned ETP during regular market hours, except for the Auction Reference Price Difference and Auction Spread metrics, which are measured at and directly before each auction respectively and averaged for the period. The proposed market quality metrics include: (1) Time at the national best bid (best offer)

("NBBO") with a minimum $5000 (Tier 1 ETPs: 40%; Low Volume[7] Group 1 ETPs:[8] 45%; Low Volume Group 2 ETPs: 45%; Low Volume Group 3 ETPs: 45%); (2) Notional Depth within 25 basis points of the NBBO (Tier 1 ETPs: $75,000; Low Volume Group 1 ETPs: $40,000; Low Volume Group 2 ETPs: $30,000; Low Volume Group 3 ETPs: $20,000); (3) Average Spread in basis points (Tier 1 ETPs: less than 25; Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100); (4) Auction Reference Price Difference (Auction Price must be within 150 basis points (Opening) and 50 basis points (Closing) of first reference price within 30 seconds prior to the market open (Opening) and within 120 seconds prior to the market close (Closing)); and (5) Auction Spread in basis points with $37,500 notional depth (Opening) and $75,000 notional depth (Closing) (Tier 1 ETPs: less than 75; Low Volume Group 1 ETPs: less than 105; Low Volume Group 2 ETPs: less than 180; Low Volume Group 3 ETPs: less than 300 (Opening) and Tier 1 ETPs: less than 25; Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100 (Closing)). The Exchange proposes to revise its DLP Program and qualifying criteria for the DLP Rebate to respond to industry feedback and better align the criteria with the market quality metrics that are most important to ETP issuers.

Additionally, the Exchange proposes to amend the additional Tape C incentives for DLPs. Currently, for a DLP to quality for the additional Tape C incentives, the average time the DLP is at the NBBO for each assigned ETP must average at least 20%,

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7 The Exchange proposes to define "Low Volume" ETPs, in Equity 7, Section 114(f), as ETPs with monthly ADV less than 1 million in the prior month (i.e., Tier 2 - 5).

8 Group 1, 2 and 3 ETPs are grouped by similar characteristics of their underlying investments.

and the average liquidity provided by the DLP for each assigned ETP must average at least 5% of the liquidity provided on Nasdaq in the respective ETP. The Exchange provides to remove such qualifying criteria and replace it with the requirement that a DLP demonstrate Average Notional Depth across its assigned ETPs within 25 basis points of the NBBO and at least $75,000 for Tier 1 ETPs, $40,000 for Low Volume Group 1 ETPs, $30,000 for Low Volume Group 2 ETPs, and $20,000 for Low Volume Group 3 ETPs. Average spread in basis points across its assigned ETPs must be less than 25 for Tier 1 ETPs, 35 for Low Volume Group 1 ETPs, 60 for Low Volume Group 2 ETPs, and 100 for Low Volume Group 3 ETPs. In addition, the Exchange proposes to make some changes to the existing requirements regarding the minimum monthly average number of assigned ETPs as a DLP required to qualify for the incremental Tape C rebate, as well as to the incremental Tape C rebate itself. Specifically, to qualify for the incremental Tape C rebate, the Exchange proposes to require a minimum monthly average number of assigned ETPs as a DLP of 20, 35, 75, 135, and 200 for Tier 1, 2, 3, 4, and 5, respectively. Assuming the requirements are met, the Exchange proposes to provide an incremental Tape C ETP rebate of $0.00025, $0.00035, $0.0004, $0.00045, and $0.00055 for Tier 1, 2, 3, 4, and 5, respectively. The Exchange proposes such amendments to its additional Tape C incentives for DLPs to align with the DLP rebate, focusing on market quality metrics that are most important to ETP issuers.

In addition to the aforementioned proposed changes to the DLP Program, the Exchange also proposes to make certain clarifying changes to the program, including (i) clarifying that an ETP only has one DLP, which is eligible for the incentives provided for in the DLP Program, and (ii) stating that the Additional Tape C ETP Incentives for DLPs will be in addition to other rebates or fees provided under Equity 7, Sections 118 and 114, including those in Section 114(f)(5)(A) and Section 114(g).

Market Quality Supporter Program

In lieu of the Secondary DLP rebates, the Exchange proposes to establish a new Market Quality Supporter ("MQS") Program, at Equity 7, Section 114(g), which will provide a rebate of $175 per month for MQSs with ETPs with monthly ADV less than 1 million in the prior month, assuming certain requirements are met. An MQS that satisfies the Market Quality Metrics described below will be eligible to receive the rebate in each of its assigned ETPs for which it qualified. The MQS Rebate is a fixed payment per month in addition to other rebates or fees provided under Equity 7, Sections 118 and 114. This rebate will only apply to the MPID where a member is an MQS.

The MQS Program will apply to transactions in a Qualified Security[9] by up to three MQSs associated with its MQS Program MPID. This rebate only applies for executions $1 per share and above. The term average daily volume ("ADV") shall mean the total consolidated volume reported to all consolidated transaction reporting plans, for each individual security, by all exchanges and trade reporting facilities during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed. As used in the MQS Program, the term "Low Volume" ETPs shall mean ETPs with monthly ADV less than 1 million in the prior month (i.e., Tier 2 - 5).

[9] Proposed Equity 7, Section 114(g)(1) says a security may be designated as a "Qualified Security" if: (A) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and (B) it has at least one MQS.

The Exchange proposes to define an MQS, in Equity 7, Section 114(g)(2), stating that an MQS has committed to maintain minimum performance standards in Low Volume ETPs. A MQS shall be selected by the Exchange based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote the Exchange as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Exchange rules and securities laws. The Exchange may limit the number of MQSs in a security, or modify a previously established limit, upon prior written notice to members. In addition, pursuant to proposed Equity 7, Section 114(g)(3), if a MQS does not meet the performance measurements for a given month, fees and credits will revert to the normal schedule under Sections 118(a) and 114. A MQS must provide 5 days written notice if it wishes to withdraw its registration in a Qualified Security unless it is also withdrawing as a market maker in the Qualified Security.

Finally, in order to achieve the rebate of $175 per month, the Exchange proposes to require that MQSs meet the following monthly performance criteria: (1) Notional Depth within 75 basis points of the NBBO (Low Volume Group 1 ETPs: $125,000; Low Volume Group 2 ETPs: $75,000; Low Volume Group 3 ETPs: $50,000); (2) Average Spread in basis points (Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100); and (3) Auction Spread in basis points with $37,500 notional depth (Opening) and $75,000 notional depth (Closing) (Low Volume Group 1 ETPs: less than 105; Low Volume Group 2 ETPs: less than 180; Low Volume Group 3 ETPs: less than 300 (Opening) and Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3

ETPs: less than 100 (Closing)). MQSs will need to meet the Market Quality Metrics in the assigned ETP as measured by the Exchange to qualify for the MQS Rebate. The Average Spread and Auction Spread metrics are multiplied by the leverage factor of the ETP. These Market Quality Metrics are measured on average in the assigned ETP during regular market hours, except for the Auction Spread metric that is measured directly before each auction against the metrics and averaged for the period. A MQS that is also a DLP will need to meet all 5 Market Quality Metrics listed in Equity 7, Section 114(f)(4) to receive the MQS Rebate.

Quality Liquidity Provider Program

The Exchange also proposes to establish a new Quality Liquidity Provider ("QLP") Program under Equity 7, Section 114(h), which will provide a rebate of $3,000 per month for QLPs that satisfies 4 out of the 5 required Market Quality Metrics described below. An MQS that satisfies the Market Quality Metrics described below will be eligible to receive the rebate in each of its assigned ETPs for which it qualified. The QLP Rebate is a fixed payment per month in addition to other rebates or fees provided under Equity 7, Sections 118 and 114. This rebate will only apply to the MPID where a member is a QLP.

The QLP Program will apply to transactions in a Qualified Security[10] by one of its Quality Liquidity Providers associated with its QLP Program MPID. For purposes of Equity 7, Section 114(h)(1), a security may be designated as a Qualified Security if it is

10 Proposed Equity 7, Section 114(h)(1) says a security may be designated as a "Qualified Security" if: (A) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and (B) the issuer pays the Premier Annual Listing Fee of $44,000 pursuant to Rule 5940(b)(1)(ii) or transfers ETPs that have a specific combined Closing Auction Volume.

an ETP listed on the Exchange pursuant to Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745 or 5760; the issuer pays the Premier Annual Listing Fee of $44,000 pursuant to Rule 5940(b)(1)(ii) or has a minimum of 9 ETPs listed on the Exchange with at least 75% of their total ETPs listed on the Exchange (in which case the issuer may select 1 ETP for participation in the QLP Program) or transfers ETPs that have a combined Closing Auction Volume as follows (in which case the issuer may select the corresponding number of ETPs for participation in the QLP Program for the first full calendar year of listing on the Exchange and the remainder of the calendar year in which the transfers occur; and it has at least one Quality Liquidity Provider. This rebate only applies for executions $1 per share and above. The term average daily volume ("ADV") shall mean the total consolidated volume reported to all consolidated transaction reporting plans, for each individual security, by all exchanges and trade reporting facilities during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed. As used in the QLP Program, the term "Low Volume" ETPs means ETPs with monthly ADV less than 1 million in the prior month (i.e., Tiers 2-5). As used in the QLP Program, the term "Closing Auction Volume" shall mean the primary listing venue's total closing volume, for each individual security, during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed.

The Exchange proposes to define a QLP under Equity 7, Section 114(h)(2), stating that a QLP has committed to maintain minimum performance standards. A QLP shall be selected by the Exchange based on factors including, but not limited to, experience with making markets in ETPs, adequacy of capital, willingness to promote the Exchange as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Exchange rules and securities laws. The Exchange may limit the number of QLPs in a security, or modify a previously established limit, upon prior written notice to members. In addition, pursuant to Equity 7, Section 114(h)(3), if a QLP does not meet the performance measurements for a given month, fees and credits will revert to the normal schedule under Sections 118(a) and 114. If a QLP does not meet the stated performance measurements for 3 out of the past 4 months, the QLP is subject to forfeit of QLP status for the Qualified Security, at the Exchange's discretion. A QLP must provide 5 days written notice if it wishes to withdraw its registration in a Qualified Security, unless it is also withdrawing as a market maker in the Qualified Security.

Finally, in order to achieve the rebate of $3,000 per month, the Exchange proposes to require that QLPs meet 4 out of 5 of the following Market Quality Metrics, including Average Spread, in assigned ETP as measured by the Exchange to qualify for the Rebate. The 5 Market Quality Metrics are as follows: (1) Time at the NBBO with a minimum $5,000 (Tier 1 ETPs: 45%; Low Volume Group 1 ETPs: 50%; Low Volume Group 2 ETPs: 50%; Low Volume Group 3 ETPs: 50%); (2) Notional Depth within 25 basis points of the NBBO (Tier 1 ETPs: $100,000; Low Volume Group 1 ETPs: $65,000; Low Volume Group 2 ETPs $50,000; Low Volume Group 3 ETPs: $40,000); (3) Average Spread in basis points (Tier 1 ETPs: less than 20; Low Volume Group 1 ETPs: less than 25; Low Volume Group 2 ETPs: less than 45; Low Volume Group 3 ETPs: less than 85); (4) Auction Reference Price Difference (Auction Price must be within 100 basis points (Opening) and 30 basis points (Closing) of first reference price within 30 seconds prior to the market open (Opening) and within 120 seconds prior to the market close (Closing)); and (5) Auction Spread in basis points with $37,500 notional depth (Opening) and $75,000 notional depth (Closing) (Tier 1 ETPs: less than 60; Low Volume Group 1 ETPs: less than 75; Low Volume Group 2 ETPs: less than 135; Low Volume Group 3 ETPs: less than 255 (Opening) and Tier 1 ETPs: less than 20; Low Volume Group 1 ETPs: less than 25; Low Volume Group 2 ETPs: less than 45; Low Volume Group 3 ETPs: less than 85 (Closing)). QLPs will need to meet 4 of 5 Market Quality Metrics, including Average Spread, in the assigned ETP as measured by the Exchange to qualify for the QLP Rebate. The Average Spread, Auction Spread, and Auction Reference Price Difference metrics are multiplied by the leverage factor of the ETP. These Market Quality Metrics are measured on average in the assigned ETP during regular market hours, except for the Auction Reference Price Difference and Auction Spread metrics that are measured at and directly before each auction, respectively, against the metrics and averaged for the period.

A QLP that satisfies the Market Quality Metrics above will be eligible to receive the fixed payment of $3,000 per month in each of its assigned ETPs for which it qualified. For the first month following the initial trade of a symbol, the MPID will automatically be eligible to receive the applicable rebate. The QLP rebate is in addition to other rebates or fees provided under Equity 7, Sections 114 and 118, and will only apply to an MPID where a member is a QLP.

Lastly, the Exchange proposes to make a clarifying amendment to update the section reference from Equity 7, Section 114(g) to Section 114(i). This revision is necessary due to the addition of new programs preceding it, which shifted the original section designation. Updating the reference ensures accuracy, consistency, and prevents any potential confusion regarding the intended provision.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[11] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[12] in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also notes that its ETP listing business operates in a highly competitive market in which market participants, which include both DLPs and ETP issuers, can readily transfer their listings or opt not to participate, respectively, if they deem fee levels, liquidity incentive programs, or any other factor at a particular venue to be insufficient or excessive. The proposed rule change reflects a competitive pricing structure designed to incentivize issuers to list new products and transfer existing products to the Exchange and market participants to enroll and participate as DLPs on the Exchange, which the Exchange believes will enhance market quality in qualified ETPs listed on the Exchange.

Annual Listing Fee Amendments

The Exchange believes that its proposed amendments to the All-Inclusive Listing Fee, including renaming the program "Annual Listing Fees", updating terminology, and

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11 15 U.S.C. 78f(b).

12 15 U.S.C. 78f(b)(4) and (5).

introducing the Premier Annual Listing Fee are reasonable and would be consistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from increased clarity and transparency. By renaming the All-Inclusive Annual Listing Fee as the "Standard Annual Listing Fee", the Exchange ensures clarity and consistency in its fee structure upon the proposal to introduce the new Premier Annual Listing Fee.

The proposed Premier Annual Listing Fee is non-discriminatory because its optional, allowing issuers to choose between the Standard Annual Listing Fee or the Premier Annual Listing Fee, which provides additional liquidity incentives through the proposed QLP Program. This structure ensures that costs are proportionate to benefits, as issuers opting for Premier receive enhanced liquidity support that can improve execution and market stability. Additionally, the proposal does not create an unfair competitive advantage because all issuers have access to both listing fee structures. The fee is designed to support issuers with specific liquidity needs rather than favoring larger or more established issuers. If the Premier Annual Listing Fee is not attractive to ETP issuers, they can choose alternative fee structures, reinforcing the competitive nature of the market.

In sum, the Premier Annual Listing Fee is reasonable, non-discriminatory, and reinforces the competitive nature of the market by providing an alternative listing fee that aligns costs with benefits, enhancing liquidity incentives in a way that supports investor protection and market efficiency.

DLP Program Enhancements

The Exchange believes that its proposed modifications to the DLP Program, including the consolidation of DLP rebates and the revision of qualifying criteria, are consistent with the Act because they align incentives with market quality metrics that are most critical to issuers and investors. The removal of Secondary DLP rebates and the consolidation of rebate tiers aims to enhance transparency and fairness, promoting more efficient liquidity provision as a result of the simplification of DLP rebates because of the new single rebate structure. The requirement that DLPs meet the Average Spread criteria as one of the four market quality metrics will better ensure that liquidity providers are incentivized to narrow spreads, thereby improving execution quality for investors.

Additionally, the modification of Tape C incentives, which replace prior criteria with Average Notional Depth and Average Spread thresholds, further aligns the program with liquidity needs of ETP issuers and the broader market. All clarifying changes and the proposed enhancements aim to focus on metrics that are most important to market participants and supporting the objectives of a fair and orderly market.

Market Quality Supporter Program

The Exchange believes that the proposed MQS Program is consistent with the Act because it is designed to promote competition and enhance liquidity for lower-volume ETPs, thereby supporting the national market system. The proposed rebate of $175 per month for ETPs with ADV below 1 million shares is intended to encourage market participants to provide liquidity in less actively traded products and as a result enhancing price discovery and reducing spreads. The requirement for MQSs to meet monthly market quality metrics, such as minimum notional depth within 75 basis points of the

NBBO and average spread thresholds will ensure that the program delivers meaningful liquidity improvements to investors.

Additionally, the Exchange's proposal to include provisions for it to monitor performance and limit participation, if necessary, further ensures that only qualified market participants receive the incentives. As a result, the proposed new program will benefit investors because it is designed to enhance market quality, reduce transaction costs, and improve execution quality for ETP investors. The focus on average spreads and notional depth as key performance metrics directly benefits investors by improving liquidity conditions and price information.

Quality Liquidity Provider Program

The Exchange believes that the proposed QLP Program is consistent with the Act because it is designed to enhance market quality by encouraging market participants to add liquidity in less actively traded ETPs. This is encouraged through the Exchange's proposal of the QLP Program which offers a monthly rebate of $3,000 to market participants that meet 4 out of 5 specific measurable performance criteria directly tied to Market Quality Metrics. The metrics are designed to encourage narrow spreads and improve price discovery, which will encourage market participants deliver meaningful liquidity into the market.

The proposed QLP Program aims to incentivize QLPs provide further liquidity through the achievement of satisfying metrics that are reliable indicators of market quality and help enhance trading for all market participants. Moreover, the programs requirement that QLPs meet performance metrics consistently across multiple months ensures that incentives are aligned with long-term market stability, rather than short-term opportunistic behaviors. In addition, the program has incorporated safeguards that allows the Exchange discretion to select QLPs based on experience, operational capacity, and other objective factors to ensure that all eligible members have equal access to the program rebate.

The proposed QLP Program aims to strike a balance between encouraging increased market participation and maintaining high performance standards. As a result, the program's design ensures that rebates are rewarded based on objective, market-quality-focused criteria and promotes accountability and long-term stability. Furthermore, the Exchange's proposals do not discriminate as rebates and credits are available to all members that meet the specified criteria.

4. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. In terms of inter-market competition, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the Exchange is proposing to modify its ETP Annual Listing Fees and Market Quality Incentive Programs by providing more targeted incentives to improve and increase market quality in ETPs that are in need of such improvement the most. The Exchange uses incentives, such as the rebates of the DLP program, new incentive programs such as the MQS program and the QLP program, to incentivize market participants to improve the market. The Exchange must, from time to time, assess the effectiveness of incentives and adjust them when they are not as effective as the Exchange believes they could be. Moreover, the Exchange is ultimately limited in the amount of rebates it may offer.

The Exchange notes that participation in the Premier Annual Listing Fee program is entirely voluntary and, to the extent that ETP issuers determine that the rebates are not in line with the level of market-improving behavior the Exchange requires, an issuer may choose not to partake. The Exchange notes that it is amending the Market Quality Metrics required for a DLP to receive an increased rebate under the program, and thus there is a risk that a DLP may not qualify for any of the increased incentives under the amended program but can still qualify for their regular base rebate. The Exchange believes that the proposal to rename the All-Inclusive Annual Listing Fee as the Standard Annual Listing Fee is purely a clarification and does not change the existing fee structure. The clarifying changes are necessary to ensure clarity when referencing the Exchange's rules.

The Exchange believes that the proposed DLP Enhancements and the establishment of the MQS and QLP Programs does not burden competition. All rebates are enhancements are accessible to all participants that meet the specified market quality criteria. The performance metrics associated with these programs, including time at the NBBO, notional depth, average spread, and auction related metrics, apply uniformly across participants.

The consolidation of the DLP rebate structure simplifies participation and increases transparency by eliminating the secondary rebate and creating a single tier rebate. All participants, regardless of their trading volume or market presence, have an equal opportunity to qualify for rebates by providing measurable liquidity improvements. Additionally, the newly established programs offer market participants new opportunities to earn rebates by supporting liquidity in lower-volume ETPs. These programs use objective, transparent criteria that reward participants on their market quality performance, ensuring fairness across similarly situated members.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Pursuant to Section 19(b)(3)(A)(ii) of the Act,[13] the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed by the self-regulatory organization on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

[13] 15 U.S.C. 78s(b)(3)(A)(ii).

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

1. Notice of Proposed Rule Change for publication in the Federal Register.

5. Text of the proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. ; File No. SR-NASDAQ-2025-022)

March 3, 2025

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to (i) modify its Company Listing Fees for exchange traded products ("ETP") under Rule 5940, along with implementing necessary clarifying changes; and (ii) amend its Designated Liquidity Program and introduce new market quality programs for ETPs, as set forth in Equity 7, Section 114 (Market Quality Incentive Programs)

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")[1], and Rule 19b-4 thereunder,[2] notice is hereby given that on March 3, 2025, The Nasdaq Stock Market LLC ("Nasdaq" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to (i) modify its Company Listing Fees for exchange traded products ("ETP") under Rule 5940, along with implementing necessary clarifying changes; and (ii) amend its Designated Liquidity Program and introduce new market quality programs for ETPs, as set forth in Equity 7, Section 114 (Market Quality Incentive Programs), as described further below.

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

While these amendments are effective upon filing, the Exchange has designated the proposed amendments to be operative on May 1, 2025.

The text of the proposed rule change is available on the Exchange's Website at https://listingcenter.nasdaq.com/rulebook/nasdaq/rulefilings, at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to (i) modify the All-Inclusive Annual Listing Fee under Rule 5940 for ETPs listed on the Exchange, and (ii) amend the Exchange's Designated Liquidity Provider ("DLP")[3] Program and introduce new market quality programs for ETPs under Equity 7, Section 114 (Market Quality Incentive Programs).

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3 Equity 7, Section 114(f)(2) defines a "Designated Liquidity Provider" or "DLP" as a registered Nasdaq market maker for a Qualified Security that has committed to maintain minimum performance standards. A DLP will be selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws. Nasdaq may limit the number of DLPs in a security, or modify a previously established limit, upon prior written notice to members.

First, the Exchange proposes to update Rule 5940 to enhance clarity and consistency in its listing fee structure by introducing a new listing fee for ETP issuers. The proposed changes include (1) updating the header at Rule 5940(b) from "All-Inclusive Annual Listing Fee" to "Annual Listing Fees" to better reflect the inclusion of both Standard and Premier Annual Listing Fees; (2) renaming the All-Inclusive Annual Listing Fee as the Standard Annual Listing Fee under Rule 5940(i) to maintain continuity in pricing while improving terminology; (3) introducing a new Premier Annual Listing Fee under Rule 5940(b)(ii) for issuers opting to participate in the Quality Liquidity Provider Program under Equity 7, Section 114(h).[4]; and (4) make clarifying changes by removing outdated references to the All-Inclusive Listing Fee and instead distinguishing between the Standard Annual Listing Fee and the Premier Annual Listing Fee.

Next, the Exchange proposes to modify its existing DLP Program under Equity 7, Section 114 by removing Secondary DLP rebates, removing the "Enhanced Rebate", revising the qualifying criteria and market quality requirements for Primary DLP[5] rebates and additional Tape C ETP incentives, and modifying rebate amounts. In addition to the proposed DLP Program updates, the Exchange proposes to (i) introduce a market quality supporter program in lieu of the existing rebates for Secondary DLPs, and (ii) establish an optional, higher listing fee for ETPs and a related market quality incentive program. The Exchange also proposes to make conforming changes throughout its rules.

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4 The Quality Liquidity Provider Program is described below as one of the new Market Quality Incentive Programs.

5 Primary DLP is now referred to as DLP under Equity 7, Section 114(f) of the Nasdaq Stock Market LLC Rules.

Annual Listing Fee Amendments: Renaming, Introduction of a New Premier Tier and Clarifying Changes

The Exchange proposes to revise the header of Rule 5940(b) by renaming "All-Inclusive Annual Listing Fee" to "Annual Listing Fees" to reflect the inclusion of both Standard and Premier listing fees. Additionally, the Exchange proposes to amend the existing "All-Inclusive Annual Listing Fee" at Rule 5940(b)(1)(i) by renaming it the "Standard Annual Listing Fee." The Standard Annual Listing Fee will continue to be set at $4,000 for ETP issuers and no substantive changes are being made for issuers under this category.

Additionally, the Exchange proposes to introduce the Premier Annual Listing Fee under Rule 5940(b)(1)(ii) as a new $44,000 fee for ETP issuers. Specifically, to qualify for the Quality Liquidity Provider Program under Equity 7, Section 114(h), an ETP issuer must pay the Premier Annual Listing Fee of $44,000 for each product that is a series of Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, Exchange Traded Fund Shares, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, or Linked Securities or other security listed under the Rule 5700 Series where no other fee schedule is specifically applicable.

If the issuer of a ETP elects to switch from the Premier Annual Listing Fee to the Standard Annual Listing Fee, it will not owe any additional listing fee, nor shall it receive any credit or offset of the portion of the Premier Annual Listing Fee paid or assessed. For example, an issuer of an ETP paid the Premier Annual Listing Fee and elects to switch to the Standard Annual Listing Fee on October 21, 2024. Its new Standard Annual Listing Fee is $4,000. Since the issuer of the ETP already paid a Premier Annual

Listing Fee of $44,000, it will not owe any Standard Annual Listing Fee for that calendar year. However, the issuer of the ETP would not receive any further credit of the amount previously paid for listing (i.e., the Premier Annual Listing Fee) and would owe the full $4,000 Standard Annual Listing Fee in the following year.

If the issuer of an ETP elects to switch from the Standard Annual Listing Fee to the Premier Annual Listing Fee, its Annual Listing Fees will be prorated based on the month of the switch. Such an issuer of an exchange traded product will owe the Premier Annual Listing Fee starting in the month of switch and the Standard Annual Listing Fee for all earlier months in the calendar year. For example, an issuer of an ETP paid the Standard Annual Listing Fee and elects to switch to the Premier Annual Listing Fee on October 21, 2024. Its new Premier Annual Listing Fee is $44,000, which is prorated from October to December, resulting in a Premier Annual Listing Fee due of $11,000 for its first calendar year. Since this issuer of the ETP already paid a Standard Annual Listing Fee of $4,000, it will be credited $1,000, which represents the portion of the Standard Annual Listing Fee already paid for the remainder of the year. The issuer of the ETP, therefore, has a balance due to Nasdaq of $10,000.

Additionally, the Exchange proposes to make clarifying changes to Rule 5940(b)(2) for NextShares by removing references to the All-Inclusive Listing Fee and distinguishing between the Standard Annual Listing Fee and Premier Annual Listing Fee. This revision does not change the actual listing fees or structure of NextShares.

DLP Program Enhancements

The Exchange currently offers certain fees and rebates under a DLP Program, which applies to transactions in a Qualified Security[6] by one of its DLPs associated with its DLP Program market participant identifier ("MPID"). In conjunction with introducing new market quality programs, as described below, the Exchange proposes to revise its existing DLP Program.

First, the Exchange proposes to remove its Secondary DLP rebates currently provided under Equity 7, Section 114(f), in favor of a new market quality supporter program. Second, the Exchange proposes to offer one DLP rebate instead of the two it currently offers (i.e., "Standard" and "Enhanced"). As such, the Exchange proposes to remove the Enhanced Rebate altogether and remove the qualifier of "Standard" from the lone remaining DLP rebate. The Exchange proposes to retain the prior "Standard Rebate" amounts for Tier 1 and Tier 2 (i.e., \$0.0034 per executed share and \$0.0040 per executed share respectively), while retaining the "Enhanced Rebate" amounts for Tier 3, 4, and 5 (\$350 per month, \$450 per month, and \$500 per month respectively). Relatedly, if an ETP meets one of the requirements for the Tiers mentioned above, an eligible DLP will receive the rebate for which it qualifies for each displayed share that adds liquidity in the ETP for Tier 1 and Tier 2. The Exchange propose to add that for the first month following the initial trade of a symbol, the MPID will automatically be eligible to receive the Tier 5 rebate, and for Tier 3 through Tier 5, the DLP will be eligible to receive a fixed

6 Equity 7, Section 114(f)(1) says a security may be designated as a "Qualified Security" if: (a) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and (b) it has at least one DLP.

payment per month in addition to any other rebate the DLP is eligible for under Equity 7, Sections 114 and 118.

Relatedly, the Exchange proposes to modify the qualifying criteria for the DLP rebate. The Exchange proposes to continue requiring that DLPs need to meet 4 of 5 of the market quality metrics provided for in the Rules. However, the Exchange proposes to require that all DLPs must meet the Average Spread requirement as one of the 4 market quality metrics. The Average Spread, Auction Spread, and Auction Reference Price Difference metrics are multiplied by the leverage factor of the ETP. The market quality metrics will be measured on average in the assigned ETP during regular market hours, except for the Auction Reference Price Difference and Auction Spread metrics, which are measured at and directly before each auction respectively and averaged for the period. The proposed market quality metrics include: (1) Time at the national best bid (best offer) ("NBBO") with a minimum $5000 (Tier 1 ETPs: 40%; Low Volume[7] Group 1 ETPs:[8] 45%; Low Volume Group 2 ETPs: 45%; Low Volume Group 3 ETPs: 45%); (2) Notional Depth within 25 basis points of the NBBO (Tier 1 ETPs: $75,000; Low Volume Group 1 ETPs: $40,000; Low Volume Group 2 ETPs: $30,000; Low Volume Group 3 ETPs: $20,000); (3) Average Spread in basis points (Tier 1 ETPs: less than 25; Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100); (4) Auction Reference Price Difference (Auction Price must be within 150 basis points (Opening) and 50 basis points (Closing) of first reference price within 30 seconds prior to the market open (Opening) and within 120 seconds prior

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7 The Exchange proposes to define "Low Volume" ETPs, in Equity 7, Section 114(f), as ETPs with monthly ADV less than 1 million in the prior month (i.e., Tier 2 - 5).

8 Group 1, 2 and 3 ETPs are grouped by similar characteristics of their underlying investments.

to the market close (Closing)); and (5) Auction Spread in basis points with $37,500 notional depth (Opening) and $75,000 notional depth (Closing) (Tier 1 ETPs: less than 75; Low Volume Group 1 ETPs: less than 105; Low Volume Group 2 ETPs: less than 180; Low Volume Group 3 ETPs: less than 300 (Opening) and Tier 1 ETPs: less than 25; Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100 (Closing)). The Exchange proposes to revise its DLP Program and qualifying criteria for the DLP Rebate to respond to industry feedback and better align the criteria with the market quality metrics that are most important to ETP issuers.

Additionally, the Exchange proposes to amend the additional Tape C incentives for DLPs. Currently, for a DLP to quality for the additional Tape C incentives, the average time the DLP is at the NBBO for each assigned ETP must average at least 20%, and the average liquidity provided by the DLP for each assigned ETP must average at least 5% of the liquidity provided on Nasdaq in the respective ETP. The Exchange provides to remove such qualifying criteria and replace it with the requirement that a DLP demonstrate Average Notional Depth across its assigned ETPs within 25 basis points of the NBBO and at least $75,000 for Tier 1 ETPs, $40,000 for Low Volume Group 1 ETPs, $30,000 for Low Volume Group 2 ETPs, and $20,000 for Low Volume Group 3 ETPs. Average spread in basis points across its assigned ETPs must be less than 25 for Tier 1 ETPs, 35 for Low Volume Group 1 ETPs, 60 for Low Volume Group 2 ETPs, and 100 for Low Volume Group 3 ETPs. In addition, the Exchange proposes to make some changes to the existing requirements regarding the minimum monthly average number of assigned ETPs as a DLP required to qualify for the incremental Tape

C rebate, as well as to the incremental Tape C rebate itself. Specifically, to qualify for the incremental Tape C rebate, the Exchange proposes to require a minimum monthly average number of assigned ETPs as a DLP of 20, 35, 75, 135, and 200 for Tier 1, 2, 3, 4, and 5, respectively. Assuming the requirements are met, the Exchange proposes to provide an incremental Tape C ETP rebate of $0.00025, $0.00035, $0.0004, $0.00045, and $0.00055 for Tier 1, 2, 3, 4, and 5, respectively. The Exchange proposes such amendments to its additional Tape C incentives for DLPs to align with the DLP rebate, focusing on market quality metrics that are most important to ETP issuers.

In addition to the aforementioned proposed changes to the DLP Program, the Exchange also proposes to make certain clarifying changes to the program, including (i) clarifying that an ETP only has one DLP, which is eligible for the incentives provided for in the DLP Program, and (ii) stating that the Additional Tape C ETP Incentives for DLPs will be in addition to other rebates or fees provided under Equity 7, Sections 118 and 114, including those in Section 114(f)(5)(A) and Section 114(g).

Market Quality Supporter Program

In lieu of the Secondary DLP rebates, the Exchange proposes to establish a new Market Quality Supporter ("MQS") Program, at Equity 7, Section 114(g), which will provide a rebate of $175 per month for MQSs with ETPs with monthly ADV less than 1 million in the prior month, assuming certain requirements are met. An MQS that satisfies the Market Quality Metrics described below will be eligible to receive the rebate in each of its assigned ETPs for which it qualified. The MQS Rebate is a fixed payment per month in addition to other rebates or fees provided under Equity 7, Sections 118 and 114. This rebate will only apply to the MPID where a member is an MQS.

The MQS Program will apply to transactions in a Qualified Security[9] by up to three MQSs associated with its MQS Program MPID. This rebate only applies for executions $1 per share and above. The term average daily volume ("ADV") shall mean the total consolidated volume reported to all consolidated transaction reporting plans, for each individual security, by all exchanges and trade reporting facilities during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed. As used in the MQS Program, the term "Low Volume" ETPs shall mean ETPs with monthly ADV less than 1 million in the prior month (i.e., Tier 2 - 5).

The Exchange proposes to define an MQS, in Equity 7, Section 114(g)(2), stating that an MQS has committed to maintain minimum performance standards in Low Volume ETPs. A MQS shall be selected by the Exchange based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote the Exchange as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Exchange rules and securities laws. The Exchange may limit the number of MQSs in a security, or modify a previously established limit, upon prior written notice to members. In addition, pursuant to proposed Equity 7, Section 114(g)(3), if a MQS does not meet the performance measurements for a given month, fees and credits will revert to the normal schedule under Sections 118(a) and 114. A MQS must provide 5 days written notice if it wishes to

9 Proposed Equity 7, Section 114(g)(1) says a security may be designated as a "Qualified Security" if: (A) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and (B) it has at least one MQS.

withdraw its registration in a Qualified Security unless it is also withdrawing as a market maker in the Qualified Security.

Finally, in order to achieve the rebate of $175 per month, the Exchange proposes to require that MQSs meet the following monthly performance criteria: (1) Notional Depth within 75 basis points of the NBBO (Low Volume Group 1 ETPs: $125,000; Low Volume Group 2 ETPs: $75,000; Low Volume Group 3 ETPs: $50,000); (2) Average Spread in basis points (Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100); and (3) Auction Spread in basis points with $37,500 notional depth (Opening) and $75,000 notional depth (Closing) (Low Volume Group 1 ETPs: less than 105; Low Volume Group 2 ETPs: less than 180; Low Volume Group 3 ETPs: less than 300 (Opening) and Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100 (Closing)). MQSs will need to meet the Market Quality Metrics in the assigned ETP as measured by the Exchange to qualify for the MQS Rebate. The Average Spread and Auction Spread metrics are multiplied by the leverage factor of the ETP. These Market Quality Metrics are measured on average in the assigned ETP during regular market hours, except for the Auction Spread metric that is measured directly before each auction against the metrics and averaged for the period. A MQS that is also a DLP will need to meet all 5 Market Quality Metrics listed in Equity 7, Section 114(f)(4) to receive the MQS Rebate.

Quality Liquidity Provider Program

The Exchange also proposes to establish a new Quality Liquidity Provider ("QLP") Program under Equity 7, Section 114(h), which will provide a rebate of $3,000 per month for QLPs that satisfies 4 out of the 5 required Market Quality Metrics described below. An MQS that satisfies the Market Quality Metrics described below will be eligible to receive the rebate in each of its assigned ETPs for which it qualified. The QLP Rebate is a fixed payment per month in addition to other rebates or fees provided under Equity 7, Sections 118 and 114. This rebate will only apply to the MPID where a member is a QLP.

The QLP Program will apply to transactions in a Qualified Security[10] by one of its Quality Liquidity Providers associated with its QLP Program MPID. For purposes of Equity 7, Section 114(h)(1), a security may be designated as a Qualified Security if it is an ETP listed on the Exchange pursuant to Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745 or 5760; the issuer pays the Premier Annual Listing Fee of $44,000 pursuant to Rule 5940(b)(1)(ii) or has a minimum of 9 ETPs listed on the Exchange with at least 75% of their total ETPs listed on the Exchange (in which case the issuer may select 1 ETP for participation in the QLP Program) or transfers ETPs that have a combined Closing Auction Volume as follows (in which case the issuer may select the corresponding number of ETPs for participation in the QLP Program for the first full calendar year of listing on the Exchange and the remainder of the calendar year in which the transfers occur; and it has at least one Quality Liquidity Provider. This rebate only applies for executions $1 per share and above. The term average daily volume (“ADV”) shall mean the total consolidated volume reported to all consolidated transaction

[10] Proposed Equity 7, Section 114(h)(1) says a security may be designated as a “Qualified Security” if: (A) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and (B) the issuer pays the Premier Annual Listing Fee of $44,000 pursuant to Rule 5940(b)(1)(ii) or transfers ETPs that have a specific combined Closing Auction Volume.

reporting plans, for each individual security, by all exchanges and trade reporting facilities during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed. As used in the QLP Program, the term "Low Volume" ETPs means ETPs with monthly ADV less than 1 million in the prior month (i.e., Tiers 2-5). As used in the QLP Program, the term "Closing Auction Volume" shall mean the primary listing venue's total closing volume, for each individual security, during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed.

The Exchange proposes to define a QLP under Equity 7, Section 114(h)(2), stating that a QLP has committed to maintain minimum performance standards. A QLP shall be selected by the Exchange based on factors including, but not limited to, experience with making markets in ETPs, adequacy of capital, willingness to promote the Exchange as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Exchange rules and securities laws. The Exchange may limit the number of QLPs in a security, or modify a previously established limit, upon prior written notice to members. In addition, pursuant to Equity 7, Section 114(h)(3), if a QLP does not meet the performance measurements for a given month, fees and credits will revert to the normal schedule under Sections 118(a) and 114. If a QLP does not meet the stated performance measurements for 3 out of the past 4 months, the QLP is subject to forfeit of QLP status for the Qualified Security, at the Exchange's discretion. A QLP must provide 5 days written notice if it wishes to withdraw its registration in a Qualified Security, unless it is also withdrawing as a market maker in the Qualified Security.

Finally, in order to achieve the rebate of $3,000 per month, the Exchange proposes to require that QLPs meet 4 out of 5 of the following Market Quality Metrics, including Average Spread, in assigned ETP as measured by the Exchange to qualify for the Rebate. The 5 Market Quality Metrics are as follows: (1) Time at the NBBO with a minimum $5,000 (Tier 1 ETPs: 45%; Low Volume Group 1 ETPs: 50%; Low Volume Group 2 ETPs: 50%; Low Volume Group 3 ETPs: 50%); (2) Notional Depth within 25 basis points of the NBBO (Tier 1 ETPs: $100,000; Low Volume Group 1 ETPs: $65,000; Low Volume Group 2 ETPs $50,000; Low Volume Group 3 ETPs: $40,000); (3) Average Spread in basis points (Tier 1 ETPs: less than 20; Low Volume Group 1 ETPs: less than 25; Low Volume Group 2 ETPs: less than 45; Low Volume Group 3 ETPs: less than 85); (4) Auction Reference Price Difference (Auction Price must be within 100 basis points (Opening) and 30 basis points (Closing) of first reference price within 30 seconds prior to the market open (Opening) and within 120 seconds prior to the market close (Closing)); and (5) Auction Spread in basis points with $37,500 notional depth (Opening) and $75,000 notional depth (Closing) (Tier 1 ETPs: less than 60; Low Volume Group 1 ETPs: less than 75; Low Volume Group 2 ETPs: less than 135; Low Volume Group 3 ETPs: less than 255 (Opening) and Tier 1 ETPs: less than 20; Low Volume Group 1 ETPs: less than 25; Low Volume Group 2 ETPs: less than 45; Low Volume Group 3 ETPs: less than 85 (Closing)). QLPs will need to meet 4 of 5 Market Quality Metrics, including Average Spread, in the assigned ETP as measured by the Exchange to qualify for the QLP Rebate. The Average Spread, Auction Spread, and Auction Reference Price

Difference metrics are multiplied by the leverage factor of the ETP. These Market Quality Metrics are measured on average in the assigned ETP during regular market hours, except for the Auction Reference Price Difference and Auction Spread metrics that are measured at and directly before each auction, respectively, against the metrics and averaged for the period.

A QLP that satisfies the Market Quality Metrics above will be eligible to receive the fixed payment of $3,000 per month in each of its assigned ETPs for which it qualified. For the first month following the initial trade of a symbol, the MPID will automatically be eligible to receive the applicable rebate. The QLP rebate is in addition to other rebates or fees provided under Equity 7, Sections 114 and 118, and will only apply to an MPID where a member is a QLP.

Lastly, the Exchange proposes to make a clarifying amendment to update the section reference from Equity 7, Section 114(g) to Section 114(i). This revision is necessary due to the addition of new programs preceding it, which shifted the original section designation. Updating the reference ensures accuracy, consistency, and prevents any potential confusion regarding the intended provision.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[11] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[12] in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not

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11 15 U.S.C. 78f(b).

12 15 U.S.C. 78f(b)(4) and (5).

designed to permit unfair discrimination between customers, issuers, brokers, or dealers. The Exchange also notes that its ETP listing business operates in a highly competitive market in which market participants, which include both DLPs and ETP issuers, can readily transfer their listings or opt not to participate, respectively, if they deem fee levels, liquidity incentive programs, or any other factor at a particular venue to be insufficient or excessive. The proposed rule change reflects a competitive pricing structure designed to incentivize issuers to list new products and transfer existing products to the Exchange and market participants to enroll and participate as DLPs on the Exchange, which the Exchange believes will enhance market quality in qualified ETPs listed on the Exchange.

Annual Listing Fee Amendments

The Exchange believes that its proposed amendments to the All-Inclusive Listing Fee, including renaming the program "Annual Listing Fees", updating terminology, and introducing the Premier Annual Listing Fee are reasonable and would be consistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from increased clarity and transparency. By renaming the All-Inclusive Annual Listing Fee as the "Standard Annual Listing Fee", the Exchange ensures clarity and consistency in its fee structure upon the proposal to introduce the new Premier Annual Listing Fee.

The proposed Premier Annual Listing Fee is non-discriminatory because its optional, allowing issuers to choose between the Standard Annual Listing Fee or the Premier Annual Listing Fee, which provides additional liquidity incentives through the proposed QLP Program. This structure ensures that costs are proportionate to benefits, as issuers opting for Premier receive enhanced liquidity support that can improve execution and market stability. Additionally, the proposal does not create an unfair competitive advantage because all issuers have access to both listing fee structures. The fee is designed to support issuers with specific liquidity needs rather than favoring larger or more established issuers. If the Premier Annual Listing Fee is not attractive to ETP issuers, they can choose alternative fee structures, reinforcing the competitive nature of the market.

In sum, the Premier Annual Listing Fee is reasonable, non-discriminatory, and reinforces the competitive nature of the market by providing an alternative listing fee that aligns costs with benefits, enhancing liquidity incentives in a way that supports investor protection and market efficiency.

<u>DLP Program Enhancements</u>

The Exchange believes that its proposed modifications to the DLP Program, including the consolidation of DLP rebates and the revision of qualifying criteria, are consistent with the Act because they align incentives with market quality metrics that are most critical to issuers and investors. The removal of Secondary DLP rebates and the consolidation of rebate tiers aims to enhance transparency and fairness, promoting more efficient liquidity provision as a result of the simplification of DLP rebates because of the new single rebate structure. The requirement that DLPs meet the Average Spread criteria as one of the four market quality metrics will better ensure that liquidity providers are incentivized to narrow spreads, thereby improving execution quality for investors.

Additionally, the modification of Tape C incentives, which replace prior criteria with Average Notional Depth and Average Spread thresholds, further aligns the program with liquidity needs of ETP issuers and the broader market. All clarifying changes and the proposed enhancements aim to focus on metrics that are most important to market participants and supporting the objectives of a fair and orderly market.

Market Quality Supporter Program

The Exchange believes that the proposed MQS Program is consistent with the Act because it is designed to promote competition and enhance liquidity for lower-volume ETPs, thereby supporting the national market system. The proposed rebate of $175 per month for ETPs with ADV below 1 million shares is intended to encourage market participants to provide liquidity in less actively traded products and as a result enhancing price discovery and reducing spreads. The requirement for MQSs to meet monthly market quality metrics, such as minimum notional depth within 75 basis points of the NBBO and average spread thresholds will ensure that the program delivers meaningful liquidity improvements to investors.

Additionally, the Exchange's proposal to include provisions for it to monitor performance and limit participation, if necessary, further ensures that only qualified market participants receive the incentives. As a result, the proposed new program will benefit investors because it is designed to enhance market quality, reduce transaction costs, and improve execution quality for ETP investors. The focus on average spreads and notional depth as key performance metrics directly benefits investors by improving liquidity conditions and price information.

Quality Liquidity Provider Program

The Exchange believes that the proposed QLP Program is consistent with the Act because it is designed to enhance market quality by encouraging market participants to add liquidity in less actively traded ETPs. This is encouraged through the Exchange's proposal of the QLP Program which offers a monthly rebate of $3,000 to market participants that meet 4 out of 5 specific measurable performance criteria directly tied to Market Quality Metrics. The metrics are designed to encourage narrow spreads and improve price discovery, which will encourage market participants deliver meaningful liquidity into the market.

The proposed QLP Program aims to incentivize QLPs provide further liquidity through the achievement of satisfying metrics that are reliable indicators of market quality and help enhance trading for all market participants. Moreover, the programs requirement that QLPs meet performance metrics consistently across multiple months ensures that incentives are aligned with long-term market stability, rather than short-term opportunistic behaviors. In addition, the program has incorporated safeguards that allows the Exchange discretion to select QLPs based on experience, operational capacity, and other objective factors to ensure that all eligible members have equal access to the program rebate.

The proposed QLP Program aims to strike a balance between encouraging increased market participation and maintaining high performance standards. As a result, the program's design ensures that rebates are rewarded based on objective, market-quality-focused criteria and promotes accountability and long-term stability. Furthermore, the Exchange's proposals do not discriminate as rebates and credits are available to all members that meet the specified criteria.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the

Act. In terms of inter-market competition, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the Exchange is proposing to modify its ETP Annual Listing Fees and Market Quality Incentive Programs by providing more targeted incentives to improve and increase market quality in ETPs that are in need of such improvement the most. The Exchange uses incentives, such as the rebates of the DLP program, new incentive programs such as the MQS program and the QLP program, to incentivize market participants to improve the market. The Exchange must, from time to time, assess the effectiveness of incentives and adjust them when they are not as effective as the Exchange believes they could be. Moreover, the Exchange is ultimately limited in the amount of rebates it may offer.

The Exchange notes that participation in the Premier Annual Listing Fee program is entirely voluntary and, to the extent that ETP issuers determine that the rebates are not in line with the level of market-improving behavior the Exchange requires, an issuer may choose not to partake. The Exchange notes that it is amending the Market Quality

Metrics required for a DLP to receive an increased rebate under the program, and thus there is a risk that a DLP may not qualify for any of the increased incentives under the amended program but can still qualify for their regular base rebate. The Exchange believes that the proposal to rename the All-Inclusive Annual Listing Fee as the Standard Annual Listing Fee is purely a clarification and does not change the existing fee structure. The clarifying changes are necessary to ensure clarity when referencing the Exchange's rules.

The Exchange believes that the proposed DLP Enhancements and the establishment of the MQS and QLP Programs does not burden competition. All rebates are enhancements are accessible to all participants that meet the specified market quality criteria. The performance metrics associated with these programs, including time at the NBBO, notional depth, average spread, and auction related metrics, apply uniformly across participants.

The consolidation of the DLP rebate structure simplifies participation and increases transparency by eliminating the secondary rebate and creating a single tier rebate. All participants, regardless of their trading volume or market presence, have an equal opportunity to qualify for rebates by providing measurable liquidity improvements. Additionally, the newly established programs offer market participants new opportunities to earn rebates by supporting liquidity in lower-volume ETPs. These programs use objective, transparent criteria that reward participants on their market quality performance, ensuring fairness across similarly situated members.

C. <u>Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others</u>

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.[13]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's internet comment form (https://www.sec.gov/rules/sro.shtml); or
- Send an email to rule-comments@sec.gov. Please include file number SR-NASDAQ-2025-022 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

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13 15 U.S.C. 78s(b)(3)(A)(ii).

All submissions should refer to file number SR-NASDAQ-2025-022. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (https://www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NASDAQ-2025-022 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[14]

Sherry R. Haywood,

Assistant Secretary.

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[14] 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Deleted text is [bracketed]. New text is underlined.

THE NASDAQ STOCK MARKET LLC RULES

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The Qualification, Listing and Delisting of Companies

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5900. Company Listing Fees.

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5940. Exchange Traded Products

The fees in this Rule 5940 shall apply to securities listed under the Rule 5700 Series where no other fee schedule is specifically applicable. These securities include, but are not limited to, Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, Exchange Traded Fund Shares, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, Linked Securities and NextShares.

(a) No Change.

(b) [**All-Inclusive**]**Annual Listing Fees**

(1) The issuer of a series of Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, Exchange Traded Fund Shares, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, or Linked Securities or other security listed under the Rule 5700 Series where no other fee schedule is specifically applicable listed on The Nasdaq Global Market shall pay to Nasdaq either:

(i) a[n] Standard[All-Inclusive] Annual Listing Fee of $4,000 for each product that is a series of Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, Exchange Traded Fund Shares, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, or Linked Securities or other security listed under the Rule 5700 Series where no other fee schedule is specifically applicable[.]; or

(ii) in order to be eligible for the Quality Liquidity Provider Program in Equity 7, Section 114(h), a Premier Annual Listing Fee of $44,000 for each product that is a series of Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, Exchange Traded Fund Shares, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares, or Linked Securities or other security listed under the Rule 5700 Series where no other fee schedule is specifically applicable.

If the issuer of an exchange traded product elects to switch from the Premier Annual Listing Fee to the Standard Annual Listing Fee, it will not owe any additional listing fee, nor shall it receive any credit or offset of the portion of the Premier Annual Listing Fee paid or assessed. For example, an issuer of an exchange traded product paid the Premier Annual Listing Fee and elects to switch to the Standard Annual Listing Fee on October 21, 2024. Its new Standard Annual Listing Fee is $4,000. Since the issuer of the exchange traded product already paid a Premier Annual Listing Fee of $44,000, it will not owe any Standard Annual Listing Fee for that calendar year. However, the issuer of the exchange traded product would not receive any further credit of the amount previously paid for listing (i.e., the Premier Annual Listing Fee) and would owe the full $4,000 Standard Annual Listing Fee in the following year.

If the issuer of an exchange traded product elects to switch from the Standard Annual Listing Fee to the Premier Annual Listing Fee, its Annual Listing Fees will be prorated based on the month of the switch. Such an issuer of an exchange traded product will owe the Premier Annual Listing Fee starting in the month of switch and the Standard Annual Listing Fee for all earlier months in the calendar year. For example, an issuer of an exchange traded product paid the Standard Annual Listing Fee and elects to switch to the Premier Annual Listing Fee on October 21, 2024. Its new Premier Annual Listing Fee is $44,000, which is prorated from October to December, resulting in a Premier Annual Listing Fee due of $11,000 for its first calendar year. Since this issuer of the exchange traded product already paid a Standard Annual Listing Fee of $4,000, it will be credited $1,000, which represents the portion of the Standard Annual Listing Fee already paid for the remainder of the year. The issuer of the exchange traded product, therefore, has a balance due to Nasdaq of $10,000.

(2) The issuer of a series of NextShares shall pay to Nasdaq for each series of NextShares a[n All-Inclusive] Standard or Premier Annual Listing Fee applicable to an issuer of a series of NextShares calculated on total shares outstanding of that series of NextShares according to the following schedule:

Up to 25 million shares $6,500

Over 25 million to 100 million shares $15,000

Over 100 million shares $25,000

(3) Reserved.

(4) The Nasdaq Board of Directors or its designee may, in its discretion, defer or waive all or any part of the [All-Inclusive]Standard or Premier Annual Listing Fee prescribed herein.

(5) In the first calendar year of listing, a product's [All-Inclusive]Standard or Premier Annual Listing Fee will be prorated based on the number of months listed.

(6) For the year in which a product listing transfers to Nasdaq, as well as for the first full calendar year of its listing, a product will not be charged the [All-Inclusive]Standard Annual Listing Fee.

(7) Liquidations will be refunded a portion of the [All-Inclusive]Standard or Premier Annual Listing Fee on a prorated basis based on the number of months listed during the calendar year of liquidation.

(8) Except as otherwise set forth in Rule 5940(b), the [All-Inclusive]Standard or Premier Annual Listing Fee described in this section will be assessed as described in Rule 5910(b)(3).

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Equity Rules

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Equity 7: Pricing Schedule

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Section 114. Market Quality Incentive Programs

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Designated Liquidity Provider ("DLP") Program

(f) The following fees and rebates discussed in this section shall apply to transactions in a Qualified Security by [one of]its Designated Liquidity Provider[s] associated with its DLP Program MPID. These rebates and fees only apply for executions $1 per share and above. As used in the DLP Program, the term average daily volume ("ADV") shall mean the total consolidated volume reported to all consolidated transaction reporting plans, for each individual security, by all exchanges and trade reporting facilities during a month divided by the number of trading days during the month. If a security is not listed for a full month the number of trading days will only include the days which the security is listed. As used in the DLP Program, the term "Low Volume" ETPs shall mean ETPs with monthly ADV less than 1 million in the prior month (i.e., Tier 2 - 5).

For purposes of this paragraph:

(1) A security may be designated as a "Qualified Security" if:

(A) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and

(B) it has at least one Designated Liquidity Provider.

(2) A "Designated Liquidity Provider" or "DLP" is a registered Nasdaq market maker for a Qualified Security that has committed to maintain minimum performance standards. A DLP shall be selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws. Nasdaq may limit the number of DLPs in a security, or modify a previously established limit, upon prior written notice to members.

(3) If a DLP does not meet the performance measurements under paragraph (4) of this section for a given month, fees and credits will revert to the normal schedule under Sections 118(a) and 114. If a DLP does not meet the stated performance measurements for 3 out of the past 4 months, the DLP is subject to forfeit of DLP status for that Qualified Security, at Nasdaq's discretion. A DLP must provide 5 days written notice if it wishes to withdraw its registration in a Qualified Security, unless it is also withdrawing as a market maker in the Qualified Security.

(4) Below are the monthly performance criteria related to the specific fees and rebates provided under paragraph (5) below:

[Primary] DLP Rebates	[Primary] DLPs will need to meet 4 of 5 of the [Standard]Market Quality Metrics, including Average Spread, in the assigned ETP as measured by Nasdaq to qualify for the [Standard]Rebate[, and all 5 Enhanced Market Quality Metrics in the assigned ETP as measured by Nasdaq to qualify for the Enhanced Rebate]. The Average Spread, Auction Spread, and Auction Reference Price Difference metrics are multiplied by the leverage

factor of the ETP. These Market Quality Metrics are measured on average in the assigned ETP during regular market hours, except for the Auction Reference Price Difference and Auction Spread metrics[Quality Requirements] that are measured at and directly before each auction, respectively, against the metrics and averaged for the period:

1. Time at the national best bid (best offer) ("NBBO") with a minimum $5,000 ([Standard Rebate: 20%; Enhanced Rebate: 50%]Tier 1 ETPs: 40%; Low Volume Group 1 ETPs: 45%; Low Volume Group 2 ETPs: 45%; Low Volume Group 3 ETPs: 45%)

[2. Time within 5 basis points of NBBO (Standard Rebate: 50%; Enhanced Rebate: 75%)]

[3]2. Notional Depth within 25 basis points of the NBBO ([Standard Rebate: $100,000 (within 150 basis points of NBBO); Enhanced Rebate: $100,000 (within 50 basis points of NBBO)]Tier 1 ETPs: $75,000; Low Volume Group 1 ETPs: $40,000; Low Volume Group 2 ETPs: $30,000; Low Volume Group 3 ETPs: $20,000)

[4]3. Average Spread in basis points ([Standard Rebate: less than 125 basis points; Enhanced Rebate: less than 25 basis points]Tier 1 ETPs: less than 25; Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100)

[5]4. Auction Reference Price Difference[Quality Requirements] ([Standard Rebate: Auction Price must be within 350 basis points (Opening) and 100 basis points (Closing) of first reference price within 30 seconds prior to the market open (Opening) and within 120 seconds prior to the market close (Closing); Enhanced Rebate:]Auction Price must be within 150 basis points

	(Opening) and 50 basis points (Closing) of first reference price within 30 seconds prior to the market open (Opening) and within 120 seconds prior to the market close (Closing)) 5. Auction Spread in basis points with $37,500 notional depth (Opening) and $75,000 notional depth (Closing) (Tier 1 ETPs: less than 75; Low Volume Group 1 ETPs: less than 105; Low Volume Group 2 ETPs: less than 180; Low Volume Group 3 ETPs: less than 300 (Opening) and Tier 1 ETPs: less than 25; Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100 (Closing))
[Secondary DLP Rebates]	[• If there are 2 DLP assignments for a Nasdaq-listed ETP, the Secondary DLP will be determined by using the factors in Section 114(f)(2). • The Secondary DLP qualifies for rebates in ETPs if it meets 2 of the Enhanced Market Quality Metrics, excluding the Auction Quality Requirements metric.]
Additional Tape C ETP Incentives for [Primary] DLPs	[The average time the [Primary] DLP is at the NBBO for each assigned ETP averages at least 20%, and the average liquidity provided by the [Primary] DLP for each assigned ETP averages at least 5% of the liquidity provided on Nasdaq in the respective ETP.]Average Notional Depth across its assigned ETPs must be within 25 basis points of the NBBO and at least $75,000 for Tier 1 ETPs, $40,000 for Low Volume Group 1 ETPs, $30,000 for Low Volume Group 2 ETPs, and $20,000 for Low Volume Group 3 ETPs. Average spread in basis points across its assigned ETPs must be less than 25 for Tier 1 ETPs, 35 for Low Volume Group 1 ETPs, 60 for Low Volume Group 2

ETPs, and 100 for Low Volume Group 3 ETPs.

(5) A DLP that satisfies the Market Quality Metrics above, will be eligible to receive the rebates provided in paragraph (A) below in each of its assigned ETPs for which it qualified, and the rebates provided in paragraph (B) in any Tape C ETP that meets the criteria of paragraph (1)(A) above, provided the DLP is a [Primary] DLP. The rebates in paragraph (A) below are in lieu of or in addition to, as specified, other rebates or fees provided under Equity 7, Sections 118 and 114. The rebates in paragraph (B) below will be in addition to other rebates or fees provided under Equity 7, Sections 118 and 114, including those in [paragraph]Section 114(f)(5)(A) and Section 114(g).

(A) DLP Rebates

If an ETP meets one of the below requirements, an eligible DLP will receive the rebate for which it qualifies for each displayed share that adds liquidity in the ETP for Tiers 1-2. The first month following the initial trade of a symbol, the MPID shall automatically be eligible to receive the Tier 5 rebate. For Tiers 3-5 the [Primary] DLP will be eligible to receive a fixed payment per month in addition to any other rebate the [Primary] DLP is eligible for under Equity 7, Sections 114 and 118. These rebates will only apply to the MPID where a member is a [Primary] DLP:

TIERS	**ADV**	**[STANDARD] REBATE**	**[ENHANCED REBATE]**
Tier 1	ETP with monthly ADV greater than 1 million in the prior month	$0.0034 per executed share	[$0.0036 per executed share]
Tier 2	ETP with monthly ADV between 250,001 and 1 million in the prior month	$0.0040 per executed share	[$0.0042 per executed share]
Tier 3	ETP with monthly ADV between 150,001 and 250,000 in the prior month	$[200]350 per month	[$350 per month]
Tier 4	ETP with monthly ADV between 50,001 and 150,000 in the prior month	$[225]450 per month	[$450 per month]

Tier 5	ETP with monthly ADV less than 50,001 in the prior month	$[300]500 per month	[$500 per month]

[If there is a Secondary DLP assigned to an ETP, then the following rebate schedule is applied:

• Tiers 1 - 2: an additional $0.0003 per executed share that is in addition to any other rebate the Secondary DLP is eligible for under Equity 7, Sections 114 and 118.

• Tiers 3 - 5: an additional $150 per month that is in addition to any other rebate the Secondary DLP is eligible for under Equity 7, Sections 114 and 118.]

(B) Additional Tape C ETP Incentives for [Primary] DLPs

The following rebates are provided to an eligible member for each displayed share that adds liquidity in a Tape C ETP that meets the criteria of paragraph (1)(A) above. This rebate will only apply to the MPID where a member is a [Primary] DLP:

	Tier 1	**Tier 2**	**Tier 3**	**Tier 4**	**Tier 5**
Minimum Monthly Average Number of Assigned ETPs as a [Primary] DLP	[10] 20	[25]35	[50]75	[100]135	200
Incremental Tape C ETP Rebate	$0.000[2]25 per executed share	$0.000[3]35 per executed share	$0.0004 per executed share	$0.000[5]45 per executed share	$0.00055 per executed share

Market Quality Supporter ("MQS") Program

(g) The following rebate discussed in this section shall apply to transactions in a Qualified Security by up to three Market Quality Supporters associated with its MQS Program MPID. This rebate only applies for executions $1 per share and above. The term average daily volume ("ADV") shall mean the total consolidated volume reported to all consolidated transaction reporting plans, for each individual security, by all exchanges and trade reporting facilities during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed. As used in the MQS Program, the term "Low Volume" ETPs shall mean ETPs with monthly ADV less than 1 million in the prior month (i.e., Tier 2 - 5).

For purposes of this paragraph:

(1) A security may be designated as a "Qualified Security" if:

(A) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760; and

(B) it has at least one Market Quality Supporter.

(2) A "Market Quality Supporter" or "MQS" has committed to maintain minimum performance standards in Low Volume ETPs. An MQS shall be selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws. Nasdaq may limit the number of MQSs in a security, or modify a previously established limit, upon prior written notice to members.

(3) If an MQS does not meet the performance measurements under paragraph (4) of this section for a given month, fees and credits will revert to the normal schedule under Sections 118(a) and 114. An MQS must provide 5 days written notice if it wishes to withdraw its registration in a Qualified Security, unless it is also withdrawing as a market maker in the Qualified Security.

(4) Below are the monthly performance criteria related to the specific rebate provided under paragraph (5) below:

MQS Rebate	MQSs will need to meet the Market Quality Metrics in the assigned ETP as measured by Nasdaq to qualify for the MQS Rebate. The Average Spread and Auction Spread metrics are multiplied by the leverage factor of the ETP. These Market Quality Metrics are measured on average in the assigned ETP during regular market hours, except for the Auction Spread metric that is measured directly before each auction against the metrics and averaged for the period: 1. Notional Depth within 75 basis points of the NBBO (Low Volume Group 1 ETPs: \$125,000; Low Volume Group 2 ETPs: \$75,000; Low Volume Group 3 ETPs: \$50,000) 2. Average Spread in basis points (Low Volume Group 1 ETPs: less than 35; Low Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100) 3. Auction Spread in basis points with \$37,500 notional depth (Opening) and \$75,000 notional depth (Closing) (Low Volume Group 1 ETPs: less than 105; Low Volume Group 2 ETPs: less than 180; Low Volume Group 3 ETPs: less than 300 (Opening) and Low Volume Group 1 ETPs: less than 35; Low

	Volume Group 2 ETPs: less than 60; Low Volume Group 3 ETPs: less than 100 (Closing)) An MQS that is also a DLP will need to meet all 5 Market Quality Metrics listed in Equity 7, Section 114(f)(4) to receive the MQS Rebate.

(5) MQS Rebate. An MQS that satisfies the Market Quality Metrics above will be eligible to receive the rebate listed below in each of its assigned ETPs for which it qualified. For the first month following the initial trade of a symbol, the MPID shall automatically be eligible to receive the applicable rebate. The MQS Rebate is a fixed payment per month in addition to other rebates or fees provided under Equity 7, Sections 118 and 114. This rebate will only apply to the MPID where a member is an MQS.

TIERS	**ADV**	**REBATE**
Tier 2-5	ETP with monthly ADV less than 1 million in the prior month	$175 per month

Quality Liquidity Provider ("QLP") Program

(h) The following fees and rebates discussed in this section shall apply to transactions in a Qualified Security by one of its Quality Liquidity Providers associated with its QLP Program MPID. These rebates and fees only apply for executions $1 per share and above. As used in the QLP Program, the term average daily volume ("ADV") shall mean the total consolidated volume reported to all consolidated transaction reporting plans, for each individual security, by all exchanges and trade reporting facilities during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed. As used in the QLP Program, the term "Low Volume" ETPs shall mean ETPs with monthly ADV less than 1 million in the prior month (i.e., Tier 2 - 5). As used in the QLP Program, the term "Closing Auction Volume" shall mean the primary listing venue's total closing auction volume, for each individual security, during a month divided by the number of trading days during the month. If a security is not listed for a full month, the number of trading days will only include the days which the security is listed.

For purposes of this paragraph:

(1) A security may be designated as a "Qualified Security" if:

(A) it is an exchange-traded product listed on Nasdaq pursuant to Nasdaq Rules 5704, 5705, 5710, 5711, 5713, 5715, 5720, 5735, 5745, 5750 or 5760;

(B) the issuer pays the Premier Annual Listing Fee of $44,000 pursuant to Rule 5940(b)(1)(ii) or has a minimum of 9 ETPs listed on Nasdaq with at least 75% of their total ETPs listed on Nasdaq (in which case the issuer may select 1 ETP for participation in the QLP Program) or transfers ETPs that have a combined

Closing Auction Volume as follows (in which case the issuer may select the corresponding number of ETPs for participation in the QLP Program for the first full calendar year of listing on Nasdaq and the remainder of the calendar year in which the transfers occur):

Closing Auction Volume of ETP Transfers	Number of ETPs Eligible for QLP Program
At least 200,000	1
At least 300,000	2
At least 400,000	3
At least 500,000	4
At least 600,000	5
At least 700,000	6
At least 800,000	7
At least 900,000	8
At least 1,000,000	9

and

(C) it has at least one Quality Liquidity Provider.

(2) A "Quality Liquidity Provider" or "QLP" is a registered Nasdaq market maker for a Qualified Security that has committed to maintain minimum performance standards. A QLP shall be selected by Nasdaq based on factors including, but not limited to, experience with making markets in exchange-traded products, adequacy of capital, willingness to promote Nasdaq as a marketplace, issuer preference, operational capacity, support personnel, and history of adherence to Nasdaq rules and securities laws. Nasdaq may limit the number of QLPs in a security, or modify a previously established limit, upon prior written notice to members.

(3) If a QLP does not meet the performance measurements under paragraph (4) of this section for a given month, fees and credits will revert to the normal schedule under Sections 118(a) and 114. If a QLP does not meet the stated performance measurements for 3 out of the past 4 months, the QLP is subject to forfeit of QLP status for that Qualified Security, at Nasdaq's discretion. A QLP must provide 5 days written notice if it wishes to withdraw its registration in a Qualified Security, unless it is also withdrawing as a market maker in the Qualified Security.

(4) Below are the monthly performance criteria related to the rebate provided under paragraph (5) below:

QLP Rebate	QLPs will need to meet 4 of 5 of the Market Quality Metrics, including Average Spread, in the assigned ETP as measured by Nasdaq to qualify for the Rebate. The Average Spread, Auction Spread, and Auction Reference Price Difference metrics are multiplied by the leverage factor of the ETP. These Market Quality Metrics are measured on average in the assigned ETP during regular market hours, except for the Auction Reference Price Difference and Auction Spread metrics that are measured at and directly before each auction, respectively, against the metrics and averaged for the period: 1. Time at the national best bid (best offer) ("NBBO") with a minimum $5000 (Tier 1 ETPs: 45%; Low Volume Group 1 ETPs: 50%; Low Volume Group 2 ETPs: 50%; Low Volume Group 3 ETPs: 50%) 2. Notional Depth within 25 basis points of the NBBO (Tier 1 ETPs: $100,000; Low Volume Group 1 ETPs: $65,000; Low Volume Group 2 ETPs: $50,000; Low Volume Group 3 ETPs: $40,000) 3. Average Spread in basis points (Tier 1 ETPs: less than 20; Low Volume Group 1 ETPs: less than 25; Low Volume Group 2 ETPs: less than 45; Low Volume Group 3 ETPs: less than 85) 4. Auction Reference Price Difference (Auction Price must be within 100 basis points (Opening) and 30 basis points (Closing) of first reference price within 30 seconds prior to the market open (Opening) and within 120 seconds prior to the market close (Closing)) 5. Auction Spread in basis points with $37,500 notional depth (Opening) and $75,000 notional depth (Closing) (Tier 1 ETPs: less than 60; Low Volume Group 1 ETPs: less than 75; Low Volume Group 2 ETPs: less than 135; Low Volume Group 3 ETPs: less than 255 (Opening) and Tier 1 ETPs: less than 20; Low Volume Group 1 ETPs: less than 25; Low Volume Group 2 ETPs: less than 45; Low Volume Group 3 ETPs: less than 85 (Closing))

(5) QLP Rebate. A QLP that satisfies the Market Quality Metrics above will be eligible to receive a fixed payment of $3,000 per month in each of its assigned ETPs for which it qualified. For the first month following the initial trade of a symbol, the MPID shall automatically be eligible to receive the applicable rebate. The QLP Rebate is in addition to other rebates or fees provided under Equity 7, Sections 118 and 114. The rebate will only apply to the MPID where a member is a QLP.

NBBO Program

([g]i) Nasdaq will provide a rebate per share executed with respect to all other displayed orders (other than Designated Retail Orders, as defined in Equity 7, Section 118) in securities priced at $1 or more per share that provide liquidity, establish the NBBO, and displayed a quantity of at least one round lot at the time of execution. The rebate will be in addition to any rebate or credit payable under Equity 7, Section 118(a) and other programs under Equity 7, Section 114. This rebate will be provided to executions from orders originating on ports meeting the requirements below.

To qualify for the $0.0004 per share executed NBBO Program rebate in NYSE-listed securities and in Securities Listed on Exchanges other than Nasdaq and NYSE a member must execute shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represents 1.0% or more of Consolidated Volume during the month and the order must have been entered on a port that has a ratio of at least 25% NBBO liquidity provided* to liquidity provided by displayed quotes/orders (other than Supplemental Orders or Designated Retail Orders) during the month.

*NBBO liquidity provided means liquidity provided from orders (other than Designated Retail Orders, as defined in Equity 7, Section 118), that establish the NBBO, and displayed a quantity of at least one round lot at the time of execution.

Definitions and Certifications

([h]j) Definitions

For purposes of this Section, the terms set forth below shall have the following meanings:

(1) Reserved

(2) Reserved

(3) Reserved

(4) Reserved

(5) The term "Consolidated Volume" shall have the same meaning as the term has under Equity 7, Section 118(a), subject to the following qualifications.

(A) *For purposes of calculating a member's qualifications for Tiers 1 and 2 of the QMM Program credits set forth in paragraph (e) of this Section, the Exchange will calculate a member's volume and total Consolidated Volume twice. First, the Exchange will calculate a member's volume and total Consolidated Volume inclusive of volume that consists of executions in securities priced less than $1. Second, the Exchange will calculate a member's volume and total Consolidated Volume exclusive of volume that consists of executions in securities priced less than $1, while also applying distinct qualifying volume thresholds to each Tier, as set forth above in paragraph (e). The Exchange will then assess which of these two calculations would qualify the member for the most advantageous credits for the month and then it will apply those credits to the member.*

(B) *For purposes of calculating a member's qualifications for fees that pertain to accessing liquidity set forth in Section 114(e) and rebates that pertain to providing liquidity set forth in Section 114([g]i), the Exchange will calculate a member's volume and total Consolidated Volume twice. First, the Exchange will calculate a member's volume and total Consolidated Volume inclusive of volume that consists of executions in securities priced less than $1. Second, the Exchange will calculate a member's volume and total Consolidated Volume exclusive of volume that consists of executions in securities priced less than $1, while also increasing the distinct qualifying volume percentage thresholds by 10%. The Exchange will then assess which of these two calculations would qualify the member for the most advantageous fees / rebates for the month and then it will apply those to the member.*

(6) Reserved

(7) The term "NBBO" shall mean the national best bid or best offer.

(8) Reserved

(9) The term "regular market hours" means 9:30 a.m. through 4:00 p.m., or such shorter period as may be designated by Nasdaq on a day when the securities markets close early.

([i]k) Reserved

([j]l) Reserved.

([k]m) For purposes of all Consolidated Volume and ADV calculations under this Section for the month of December 2023, Nasdaq will exclude December 13, 2023, if doing so will allow a member to achieve more favorable pricing under the rule.

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Section 118. Nasdaq Market Center Order Execution and Routing

(a) The following charges shall apply to the use of the order execution and routing services of the Nasdaq Market Center by members for all securities priced at $1 or more that it trades. For purposes of calculating Consolidated Volume and the extent of a member's trading activity, the following shall be excluded from both total Consolidated Volume and the member's trading activity: (1) the date of the annual reconstitution of the Russell Investments Indexes; (2) the dates on which stock options, stock index options, and stock index futures expire (i.e., the third Friday of March, June, September, and December); (3) the dates of the rebalance of the MSCI Equities Indexes (i.e., on a quarterly basis); (4) the dates of the rebalance of the S&P 400, S&P 500, and S&P 600 Indexes (i.e., on a quarterly basis); and (5) the date of the annual reconstitution of the Nasdaq-100 and Nasdaq Biotechnology Indexes. For the purposes of calculating the extent of a member's trading activity during the month on Nasdaq and determining the charges and credits applicable to such member's activity, all M-ELO Orders that a member executes on Nasdaq during the month will count as liquidity-adding activity on Nasdaq. Volume from ETC Eligible LOC Orders and ETC Orders shall not be utilized to determine eligibility for any pricing tiers set forth in Section 118(a) to the extent that such eligibility is based upon MOC or LOC volume. For purposes of calculating a member's qualifications for credits that pertain to providing liquidity set forth in this Section 118(a), the Exchange will calculate a member's volume and total Consolidated Volume twice. First, the Exchange will calculate a member's volume and total Consolidated Volume inclusive of volume that consists of executions in securities priced less than $1. Second, the Exchange will calculate a member's volume and total Consolidated Volume exclusive of volume that consists of executions in securities priced less than $1, while also increasing the distinct qualifying volume percentage thresholds, as set forth in this Section 118(a), by 10%. The Exchange will then assess which of these two calculations would qualify the member for the most advantageous credits for the month and then it will apply those to the member.

As used in this section the following terms shall have the following meanings:

• "ADV" means Average Daily Volume;

• "Consolidated Volume" shall mean the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during a month in equity securities, excluding executed orders with a size of less than one round lot.

• A "Designated Retail Order" is an agency or riskless principal order that meets the criteria of FINRA Rule 5320.03 and that originates from a natural person and is submitted to Nasdaq by a member that designates it pursuant to this section, provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology. An order from a "natural person" can include orders on behalf of accounts that are held in a corporate legal form - such as an Individual Retirement Account, Corporation, or a Limited Liability Company - that has been established for the benefit of an individual or group of related family members, provided that the order is submitted by an individual. Members must submit a signed written attestation, in a form prescribed by Nasdaq, that they have implemented policies and procedures that are reasonably designed to ensure that substantially all orders designated by the member as "Designated Retail Orders" comply with these requirements. Orders may be designated on an order by-order basis, or by designating all orders on a particular order entry port as Designated Retail Orders. If a member's total rebate for non-Designated Retail Orders (including any supplemental credits provided in Section 114 and Section 118, except the NBBO Program credit provided in Section 114([g]i)) is greater than its rebate for Designated Retail Orders (including supplemental credits provided in Section 114 and Section 118), then the member shall receive the higher rebate.

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